

TEXAS

FOOD AND BEVERAGE AND TOBACCO PRODUCT MANUFACTURING

The food manufacturing (NAICS 311) and beverage and tobacco product manufacturing (NAICS 312) subsectors include businesses providing a variety of products such as meats, specialty foods, baked goods, packaged fruits and vegetables, teas, coffees, beers and wines. Food manufacturing also includes the refiners of raw food materials such as rice, flour, corn and sugar.



Sources: U.S. Bureau of Economic Analysis, Regional Economic Models, Inc., Emsi, U.S. Department of Commerce International Trade Administration

LARGEST INDUSTRIES IN FOOD AND BEVERAGE AND TOBACCO PRODUCT MANUFACTURING, 2016

Animal slaughterers are the largest food and beverage manufacturers in Texas, followed by poultry processing. Among the largest industries, animal slaughterers, soft drink makers and tortilla manufacturers have location quotients above 1.00, meaning their statewide shares of employment are above the national averages, possibly indicating exporting industries.

	DIRECT JOBS 2016	AVERAGE TEXAS SALARIES 2016	LOCATION QUOTIENT 2016
ANIMAL (EXCEPT POULTRY) SLAUGHTERING	14,216	\$40,688	1.27
POULTRY PROCESSING	13,822	\$32,881	0.73
COMMERCIAL BAKERIES	8,589	\$45,466	0.77
MEAT PROCESSED FROM CARCASSES	8,068	\$41,687	0.80
SOFT DRINK MANUFACTURING	7,895	\$57,482	1.18
FROZEN SPECIALTY FOOD MANUFACTURING	4,521	\$38,186	0.95
RETAIL BAKERIES	4,429	\$24,115	0.64
TORTILLA MANUFACTURING	3,461	\$29,385	2.18
BREWERIES	3,157	\$67,002	0.65

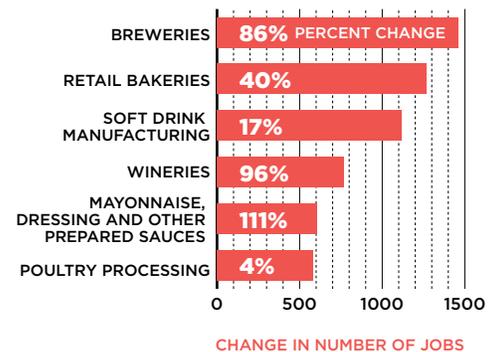
*Location quotient compares an industry's share of jobs in a specific region with its share of nationwide employment. Source: Emsi

Sources: Emsi and Texas Comptroller of Public Accounts:

THE BEVERAGE AND TOBACCO SUBSECTOR ROSE BY 36 PERCENT FROM 2010 TO 2016, EASILY THE LARGEST PERCENT GROWTH AMONG ALL TEXAS MANUFACTURING SUBSECTORS.

LARGEST JOB GAINS BY INDUSTRY, 2010-2016

Beverage manufacturers were among the largest job gainers from 2010 to 2016, including breweries, soft drink makers and wineries.



Sources: Emsi and Texas Comptroller of Public Accounts

SUBSECTOR AND INDUSTRY CONCENTRATION IN TEXAS

Due to its size and regional diversity, Texas produces a wide variety of food and beverage products, including beef in the High Plains, poultry in Upper East Texas, rice in the Southeast and tortillas in the South region.



Sources: Emsi, Texas Comptroller of Public Accounts

CONCLUSION

Manufacturing continues to drive output and productivity in the Texas economy, creating jobs paying well above the statewide average. It also contributes significantly to job creation in other industries, particularly in design operations and services.

Texas manufactures a variety of food and beverage products across its diverse regions, as producers respond to local demand and local tastes. Proximity to raw materials and supply networks also are highly important to ensure the freshness of its products.

To see more in-depth Texas manufacturing data, visit:

comptroller.texas.gov/economy/economic-data/manufacturing/

Glenn Hegar

Texas Comptroller of Public Accounts

TEXAS MANUFACTURING

Texas has an extraordinary manufacturing economy. The state's resources make it a natural leader in petroleum and chemical manufacturing; its research institutions have fostered computer-related and other high-tech manufacturing; and a business-friendly environment and skilled labor have helped create a burgeoning automotive manufacturing sector.

IN ALL, MANUFACTURING CONTRIBUTED \$226 BILLION TO TEXAS' GROSS DOMESTIC PRODUCT (GDP) in 2016, an amount larger than the entire economy of Portugal.



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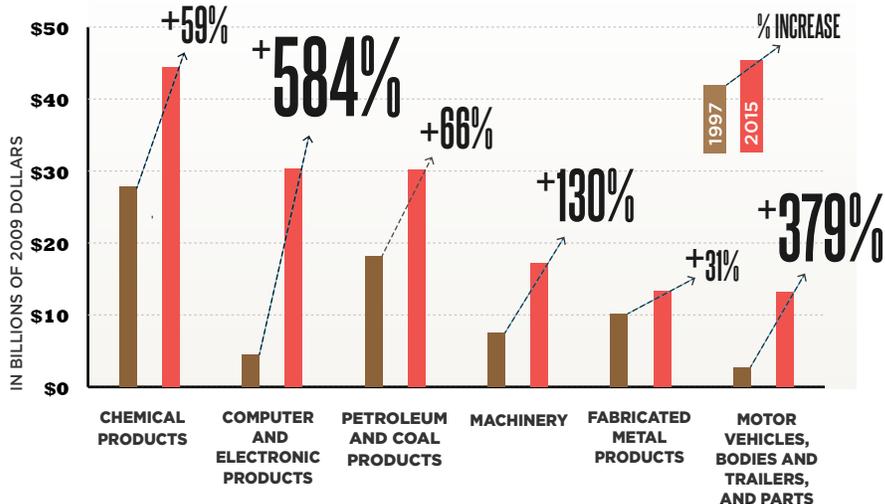
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PERCENT CHANGE IN REAL GROSS DOMESTIC PRODUCT / 1997-2016



Sources: U.S. Bureau of Economic Analysis, U.S. Bureau of Labor Statistics

LARGEST MANUFACTURING SUBSECTORS IN TEXAS BY GDP: GROWTH FROM 1997 TO 2015



Sources: U.S. Bureau of Economic Analysis, Texas Comptroller of Public Accounts

TEXAS MANUFACTURING OUTPUT HAS OUTPACED THE TOTAL TEXAS ECONOMY.

TEXAS MANUFACTURING ACCOUNTED FOR 10.4 PERCENT OF U.S. MANUFACTURING GDP IN 2016.

From 1997 through 2016, growth in Texas manufacturers' economic output more than doubled U.S. manufacturing gains of 40 percent.

BETWEEN 1997 AND 2016, MANUFACTURING REAL GDP INCREASED 98 PERCENT, COMPARED WITH AN 84 PERCENT GAIN ACROSS ALL TEXAS INDUSTRIES.

Sources: U.S. Bureau of Economic Analysis, Texas Comptroller of Public Accounts

3,000,000
DIRECT & INDIRECT EMPLOYMENT

\$225.8 Billion
TEXAS MANUFACTURING GDP

\$73,738
AVERAGE ANNUAL WAGE

\$210.3 Billion
EXPORTS

While Texas' manufacturing employment has diminished as a result of automation, technological advances and other factors, its economic output has increased. From 1997 through 2016, Texas' manufacturing job count fell by 19 percent, but its real GDP rose by 98 percent. Texas has **858,000 DIRECT MANUFACTURING JOBS**, as well as another **2.2 MILLION JOBS** indirectly created or supported by manufacturers. In 2016, average annual Texas wages in manufacturing approached **\$74,000**, much higher than the statewide average of \$54,000.

To see more in-depth Texas manufacturing data, visit:

comptroller.texas.gov/economy/economic-data/manufacturing/

Sources: U.S. Bureau of Economic Analysis, Regional Economic Models, Inc., Emsi, U.S. Department of Commerce International Trade Administration